

BOBBY JINDAL
GOVERNOR



MICHAEL B. McDUFF
EXECUTIVE DIRECTOR

State of Louisiana
STATE LICENSING BOARD FOR CONTRACTORS

October 9, 2014

TO: The Honorable John A. Alario, President, Louisiana State Senate
The Honorable Check Kleckley, Speaker of the House of Representative
The Honorable Daniel "Danny" Martiny, Chairman, Senate Committee on Commerce,
Consumer Protection, and International Affairs
The Honorable Erich E. Ponti, Chairman, House Commerce Committee
Catherine Brindley, Office of the State Register

FR: Judy Dupuy, Board Administrator

A handwritten signature in dark ink, appearing to be "JD", written over the name Judy Dupuy.

RE: Notice of Intent on Proposed Rulemaking

In Accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.) as amended, the Louisiana State Licensing Board for Contractors has submitted a Notice of Intent for rule revisions to the Contractor Licensing Law, through the authority granted in R.S. 37:2150-2192, to be published in the October, 2014 issue of the "Register." This Notice of Intent and the approved Fiscal and Economic Impact Statement are attached for your review.

If you have any questions, please feel free to contact me at 225-763-3982.

NOTICE OF INTENT

Office of the Governor Louisiana State Licensing Board for Contractors

(LAC 46:XXIX.Contractors)
Rules and Regulations Update

In accordance with the provisions of La. R.S. 49:950 et seq., which is the Administrative Procedure Act, and through the authority granted in R.S. 37:2150 - 2192, which is the Contractor Licensing Law, the Licensing Board for Contractors (LSLBC) hereby gives notice of its intent to update its rules and regulations regarding contracting matters under the jurisdiction of the LSLBC.

Title 46 PROFESSIONAL AND OCCUPATIONAL STANDARDS Part XXIX. Contractors

Chapter 1. General Provisions

§119. Construction Management

A. Any person, company or entity who undertakes, attempts to, or submits a price or bid or offer to perform work in “construction management” or “program management” whose scope of authority and responsibility includes supervision, oversight, direction, or in any manner assuming charge of the construction services provided to an owner by a contractor or contractors in excess of \$50,000 must possess a license from this Board in the major classification of Building Construction or Heavy Construction or Highway, Street, and Bridge Construction or Municipal and Public Works Construction. Any licensed contractor with any of these major classifications shall be able to bid and perform any such project specified for construction and/or program management within the scope of the classification(s) they hold. If a “program manager” whose scope of authority and responsibilities does not include any of the above stated tasks, that “program manager” does not need a contractor’s license.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2192.

HISTORICAL NOTE: Adopted by the Office of the Governor, Licensing Board for Contractors, LR 38:150 (January 2014).

Family Impact Statement

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of these proposed rules on the family has been considered. It is anticipated that these proposed rules will have no impact on family functioning, stability or autonomy as described in R.S. 49:972.

Poverty Impact Statement

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of these proposed rules have been considered. It is anticipated that these proposed rules will have no impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973.

Small Business Statement

The proposed rules will have no adverse impact on small businesses as defined in the Regulatory Flexibility Act.

Provider Impact Statement

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of these proposed rules has been considered. It is anticipated that these proposed rules will have no known impact on providers of services for individuals with developmental disabilities.

Interested Persons

Interested persons may submit written comments on the proposed regulations to the Licensing Board for Contractors, attention Judy Dupuy, Board Administrator, 2525 Quail Drive, Baton Rouge, Louisiana 70808, fax 225-765-2431, or jdupuy@lsllbc.louisiana.gov through November 15, 2014.

Public Hearing

If it becomes necessary to convene a public hearing to receive comments, in accordance with the Administrative Procedures Act, a hearing will be held December 2, 2014 at 9:30 a.m. at the Louisiana State Licensing Board for Contractors at 2525 Quail Drive, Baton Rouge, Louisiana, 70808.

Michael McDuff
Executive Director

RECEIVED

OCT 09 2014

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

OFFICE OF THE
STATE REGISTER

Person

Preparing

Statement:

Judy Dupuy

Dept.: La. State Licensing Board for Contractors

Phone:

225-763-3982

Office:

Return

Address:

2525 Quail Drive

Rule

Title:

Title 46, Part XXIX, Contractors

Baton Rouge, LA 70808

Date Rule

Takes Effect:

January 20, 2015

SUMMARY

(Use complete sentences)

In accordance with Section 953 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will have no impact on state or local governmental expenditures. Implementation of the proposed rule changes will be carried out using existing staff and funding levels. A group of rarely utilized construction management sub-classifications create a classification redundancy that can be adequately obtained through more prominent classifications already in existence. The proposed rule change removes these sub-classifications and provides for fewer classifications for a licensed contractor to maintain, while providing the clarification for those licensed contractors when bidding on jobs involving construction or program management.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Implementation of the proposed rule change will not impact revenue collections of state or local governmental units. The proposed rule change does not include any fee increase by the Louisiana State Licensing Board for Contractors.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)

Contractors will benefit from clarification of Board procedures and requirements, and will have to carry fewer classifications.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will have no effect on competition and employment.

Judy Dupuy
Signature of Agency Head or Designee

Evan Brassef, Staff Director
Legislative Fiscal Officer or Designee

Judy Dupuy, Board Administrator

Typed Name & Title of Agency Head or Designee

10-9-2014

Date of Signature

10/9/14

Date of Signature

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The proposed rule will allow contractors who carry the major classification of Building Construction; Heavy Construction; Highway, Street, and Bridge Construction; or Municipal and Public Works Construction to provide construction or program management over such projects.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

Section 119 clarifies licensure requirements for construction and program management.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

The proposed changes will not result in any increase in fund expenditure.

- (2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ Yes. If yes, attach documentation.

(b) _____ NO. If no, provide justification as to why this rule change should be published at this time

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 11-12	FY 12-13	FY 13-14
Personal Services	\$0	\$0	\$0
Operating Expenses	0	0	0
Professional Services	0	0	0
Other Charges	0	0	0
Equipment	0	0	0
Major Repairs & Constr.	0	0	0
TOTAL	0	0	0
POSITIONS (#)	0	0	0

2. Provide a narrative explanation of the costs or savings shown in "A. 1.", including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

The implementation of the proposed rule will have no effect on cost savings.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 11-12	FY 12-13	FY 13-14
State General Fund	\$0	\$0	\$0
Agency Self-Generated	0	0	0
Dedicated	0	0	0
Federal Funds	0	0	0
Other (Specify)	0	0	0
TOTAL	\$0	\$0	\$0

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

No funds are necessary to implement the proposed changes.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

These proposed rule changes will have no impact on local government units.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

These rule changes will not fiscally impact local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT

WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 11-12	FY 12-13	FY 13-14
State General Fund	\$0	\$0	\$0
Agency Self-Generated	0	0	0
Dedicated Funds	0	0	0
Federal Funds	0	0	0
Local Funds	0	0	0
TOTAL	\$0	\$0	\$0

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

There will be no increases or decreases in revenues as a result of these rule changes.

III. COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS

A. What persons or non-governmental groups would be directly affected by the proposed action? For each, provide an estimate and a narrative description of any effect on costs, including workload adjustments and additional paperwork (number of new forms, additional documentation, etc.), they may have to incur as a result of the proposed action.

Persons/groups directly affected include commercial contractors. There will be no additional burden on them as a result of these rule changes.

B. Also provide an estimate and a narrative description of any impact on receipts and/or income resulting from this rule or rule change to these groups.

There will be no impact on receipts and/or income resulting from these rule changes.

IV. EFFECTS ON COMPETITION AND EMPLOYMENT

Identify and provide estimates of the impact of the proposed action on competition and employment in the public and private sectors. Include a summary of any data, assumptions and methods used in making these estimates.

There will be no fiscal effect of the proposed action on competition and employment in the public and private sectors.